



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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Chief Executive Officer

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March 15, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **AUTHORIZATION TO RENEW CONTRACT FOR THE RISK MANAGEMENT INFORMATION SYSTEM (ALL DISTRICTS) (3 VOTES)**

### **SUBJECT**

This letter seeks your Board's authorization to renew Contract No. 73275 with Risk Technologies, Inc. (RTI), for maintenance and repair services of the Risk Management Information System (RMIS), for an additional one-year period, effective April 14, 2011, through and including April 13, 2012.

### **JOINT RECOMMENDATION WITH COUNTY COUNSEL THAT YOUR BOARD:**

1. Authorize the Chief Executive Officer (CEO) and County Counsel, as joint Program Directors, to renew Contract No. 73275 (Contract), with RTI, for maintenance and repair services for RMIS, for an additional one-year period, effective April 14, 2011, through and including April 13, 2012.
2. Instruct the Auditor-Controller to continue to pay program costs as invoiced and validated by the CEO.
3. Accept the attached annual summary report documenting the outcomes and effectiveness of RMIS.

*"To Enrich Lives Through Effective And Caring Service"*

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### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

In approving the recommended actions, the County of Los Angeles (County) will continue to receive uninterrupted RMIS services for an additional one-year period. As documented in the attached report, RMIS and RTI's performance continue to meet the County's data quality, data availability, and data accessibility expectations.

### **Implementation of Strategic Plan Goals**

The services provided under this Contract support the County's Strategic Plan Goal One, Operational Effectiveness, by providing a centralized claim and litigation database that the CEO, County Counsel, County departments, and County third party administrators utilize to improve the effectiveness of Countywide risk management and litigation activities.

### **FISCAL IMPACT/FINANCING**

Funding for system upgrade projects and maintenance and support has been included in the Insurance Budget for Fiscal Year 2010-11, and proposed budget for Fiscal Year 2011-12.

### **FACTS AND PROVISIONAL/LEGAL REQUIREMENTS**

On March 6, 2001, your Board approved the contract with RTI to procure and maintain RMIS, and authorized the CEO to execute up to six annual contract renewal options. On September 8, 2009, your Board authorized the CEO to execute Amendment No. 3, which added two additional annual renewal options to the contract as part of the contract extension/cost reduction initiative. The current term expires on April 13, 2011.

On March 1, 2005, your Board approved Amendment No. 2 to the Contract, and instructed the CEO and County Counsel, as joint Program Directors, to seek your Board's approval before executing each annual renewal option for enhanced maintenance services, and to provide justification for the renewal, based upon outcome measurement methodology.

Risk Technologies, Inc., continues to comply with all County standard terms and conditions.

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In addition, in October 2009, the CEO and County Counsel worked together to successfully implement the departmental reporting functions of the Cognos-based Online Risk Business Intelligence Tool (ORBIT) to distribute claims-related reports to all County departments on a monthly basis. Additional reports continue to be designed for distribution to County departments. The Cognos reports serve as a resource for departments for claims-related information on an aggregate level. The CEO and County Counsel continue to work closely to accurately and efficiently report to your Board information concerning claims and litigation.

### **IMPACT ON CURRENT SERVICES**

Renewal of the Contract for one additional year will ensure uninterrupted continuation of critical services to the CEO, County Counsel, County departments, and third party administrators.

### **CONCLUSION**

Upon approval by your Board, please return two adopted copies of this letter to the CEO Risk Management Branch, attention Laurie Milhiser, Assistant Chief Executive Officer.

Respectfully submitted,

  
WILLIAM T FUJIOKA  
Chief Executive Officer

  
ANDREA SHERIDAN ORDIN  
County Counsel

WTF:ASO:ES  
LM:KR:LC:sg

Attachment

c: Executive Office, Board of Supervisors  
Auditor-Controller  
Chief Information Office

**COUNTY OF LOS ANGELES  
RISK MANAGEMENT INFORMATION SYSTEM  
ANNUAL REPORT SUMMARY  
APRIL 2010 THROUGH APRIL 2011**

As requested by your Board on March 1, 2005, listed below are summary descriptions and status of each work order issued or in development for system modifications and enhancements to the Risk Management Information System (RMIS) during the renewal term of April 14, 2010 through April 13, 2011. The work orders were created to accomplish the upgrade projects of the Priority 1 enhancements, as provided to your Board on February 28, 2005. Upgraded projects meet the performance expectations established in the Methodology to Measure the Outcomes and Effectiveness of RMIS, as outlined in the December 30, 2005 report to your Board.

**COMPLETED WORK ORDERS**

- RMIS Enhancements for Medicare Secondary Payer Mandatory Reporting (Work Order 11).
  - Enhancement for the Medicare Secondary Payer ("MSP") mandatory reporting requirement from the Centers for Medicare & Medicaid Services ("CMS").
  - Ability to automatically generate a Monthly Query Input File that enables the County to transmit information to CMS.
  - Ability to automatically process data fields and records received from CMS in a Query Response Record to update RMIS information.
  - Ability to transmit RMIS information, for Medicare eligible claimants, to CMS for the Initial Claim Input File and subsequent Quarterly Claim Input File submissions.
- RMIS Enhancements for Coverage Type and Coverage Detail Enhancements (Work Order 12).
  - Enhancement that streamlined the process for assigning coverage types, coverage details, and case types to a file.

**WORK ORDERS IN PROGRESS**

- Enhancements to RMIS Payment and Reserve Processes (Work Order 13).
  - Includes enhancements for eCAPS Time Collection (originally Work Order 15).

## WORK ORDERS IN PROGRESS (Continued)

- RMIS ORBIT Enhancements (Work Order 14)
  - Enhancement to the new Online Business Intelligence Tool (ORBIT) data marts for user roles and user tracking, using the County's online Business Intelligence (BI) development tool (Cognos).

## WORK ORDERS IN DEVELOPMENT

- None

## MISCELLANEOUS ITEMS

- County Counsel eBilling Enhancement
  - County Counsel is in the final negotiations stage of the Request For Proposals (RFP) process.
- Manual Process Automation Project
  - The purpose of the manual process automation project is to take specific processes that were previously being done manually and developing an automated process using RMIS.
- **.Net** Development Project
  - The vendor is currently in process of upgrading the RMIS software from an older technology of ASP and HTML to **.Net**.
- RMIS Re-certification Testing Project
  - The purpose of the RMIS Re-certification testing project is to ensure that all features of the system continue to function as designed even though RMIS has been enhanced throughout the years with 12 separate Work Orders.
- RMIS Infrastructure Upgrade Project
  - The existing RMIS servers are out of warranty, they are also physical servers, and most of these servers are running on an obsolete Operating System (OS) due to their age. The RMIS Infrastructure Upgrade project not only upgrades the OS, but also for most of the servers, allows the use of virtual servers instead of the more costly physical servers.